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Counsel for Jonathan L. Flaxer, Chapter 11 Trustee

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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In re : Chapter 11
: Case No. 22-10165 (MG)
JOSEPH KLAYNBERG, :
: Debtor. :
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**SIXTH MONTHLY STATEMENT OF GOLENBOCK EISEMAN ASSOR BELL &
PESKOE LLP, AS COUNSEL FOR JONATHAN L. FLAXER,
CHAPTER 11 TRUSTEE, OF FEES FOR PROFESSIONAL
SERVICES RENDERED FOR THE PERIOD
MAY 1, 2023 THROUGH MAY 31, 2023**

Name of Applicant:	Golenbock Eiseman Assor Bell & Peskoe LLP
Role in Case:	Counsel to Chapter 11 Trustee
Date of Retention:	Order entered November 7, 2022 <i>nunc pro tunc</i> to September 20, 2022
Period for which compensation and reimbursement is sought:	May 1, 2023 to May 31, 2023
Amount of Compensation sought as actual, reasonable and necessary:	\$64,545.00 (80% of which is \$51,636.00)
Amount of Expense Reimbursement sought as actual, reasonable and necessary:	\$0.00
Total (80% of fees and 100% of costs):	\$51,636.00

Golenbock Eiseman Assor Bell & Peskoe LLP (“**GEABP**”), as counsel for Jonathan L. Flaxer (the “**Trustee**”), the chapter 11 trustee for Joseph Klaynberg (the “**Debtor**”), hereby submits this sixth monthly statement (the “**Monthly Statement**”) for the period of May 1, 2023 through May 31, 2023 (the “**Statement Period**”) for payment of professional services rendered during the Statement Period pursuant to the Court’s Order Pursuant to Sections 105(a) and 331 of the Bankruptcy Code Establishing Procedures for Interim Compensation and Reimbursement of Expenses of Professionals [Dkt. No. 45], as modified by the Stipulation and Order Modifying Monthly Compensation Order [Dkt No. 268] (together, the “**Fee Procedures Order**”). GEABP requests interim allowance and payment of compensation in the amount of \$51,636.00 (80% of \$64,545.00) for fees incurred on account of reasonable and necessary professional services rendered by GEABP as counsel to the Trustee.

FEES FOR SERVICES RENDERED DURING THE STATEMENT PERIOD

1. Set forth below is a list of the positions of the GEABP professionals and paralegals who provided services to the Trustee during the Statement Period, their respective billing rates,

and the aggregate hours spent by each person providing services to the Trustee during the Statement Period.

	Year Admitted	Hourly Rate	Total Hours	Total Amount	Practice Specialty
<u>Partners</u>					
Steven R. Hochberg	1987	775.00	5.20	\$ 4,030.00	Real Estate
Michael S. Weinstein	2009	555.00	22.20	\$12,321.00	Bankruptcy
<u>Associates/Of Counsel</u>					
Ina Dogani	2021	460.00	86.60	\$39,836.00	Litigation
Moshie Solomon	2002	555.00	10.20	\$ 5,661.00	Bankruptcy
<u>Paralegals/Paraprofessionals</u>					
Heather Maxwell	N/A	245.00	4.80	\$ 1,176.00	Litigation
Rose Ngoma	N/A	325.00	2.70	\$ 877.50	Real Estate
Erin Jengo-Quirk	N/A	195.00	3.30	\$ 643.50	Litigation
TOTAL:			135.00	\$ 64,545.00	
BLENDED RATE FOR ALL PROFESSIONALS:				\$ 478.11	
BLENDED ATTORNEY RATE:				\$ 497.97	

2. The fees sought by GEABP in the Monthly Statement are billed at rates and in accordance with practices customarily employed by GEABP and generally accepted by GEABP's other clients. A complete itemization of the tasks performed by the above-referenced persons during the Statement Period is annexed hereto as **Exhibit A**.

NOTICE AND OBJECTION PROCEDURES

3. GEABP has provided notice of this statement via email upon the following parties: (i) the Chapter 11 Trustee, Jonathan L. Flaxer, 711 Third Avenue, 17th Floor, New York, New York 10017; (ii) the Debtor, Joseph Klaynberg, 114 Mulberry Street, Apt. 703, New York, New York 10003; (iii) counsel to the Debtor, Cullen & Dykman, LLP, 100 Quentin Roosevelt Boulevard, Garden City, New York 11530, Attn: Matthew G. Roseman, Esq. and Bonnie L.

Pollack, Esq.; (iv) counsel to Series 2020A of Nahla Capital LLC, Hunton Andrews Kurth LLP, 200 Park Avenue, New York, New York 10166, Attn: Robert A. Rich, Esq.; and (v) the Office of the United States Trustee, 201 Varick Street, Room 1006, New York, New York 10014, Attn: Tara Tiantian, Esq. (collectively, the “**Notice Parties**”).

4. Pursuant to the Fee Procedures Order, objections to this Monthly Statement, if any, must be served no later than **July 21, 2023** (the “**Objection Deadline**”) upon the following parties: (i) GEABP, and (ii) the Notice Parties.

5. If no objections to this Monthly Statement are received by the Objection Deadline, the Chapter 11 Trustee, on behalf of the estate of the Debtor, will pay GEABP 80% of the fees identified in this Monthly Statement.

6. To the extent an objection to the Monthly Statement is received on or before the Objection Deadline, the Chapter 11 Trustee will withhold payment of that portion of the Monthly Statement to which the objection is directed and will promptly pay the remainder of fees in the percentages set forth above. To the extent such objection is not resolved, it shall be preserved and scheduled for consideration at the next fee application hearing.

Dated: New York, New York
June 16, 2023

GOLENBOCK EISEMAN ASSOR
BELL & PESKOE LLP
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By: /s/ Michael S. Weinstein
Michael S. Weinstein
Moshie Solomon

Counsel for Jonathan L. Flaxer, Chapter 11 Trustee

EXHIBIT A

Represent Trustee of Joseph Klaynberg

Page: 1
 06/15/2023
 Account No: 4423-002M
 Statement No: 1

Asset Sales

Draft Statement

05/02/2023	RNA	Meeting with S. Hochberg re: Escrow Agreement (0.2); Reviewed Escrow Agreement and Amendment (1.0); Prepared Amendment to Escrow Agreement and Substitution (1.3).	2.50	812.50	19
05/05/2023	RNA	Revised Escrow Agreement.	0.20	65.00	20
		Rose Ngoma	2.70	877.50	
05/04/2023	SRH	Amended Escrow Agreement to provide for transfer of escrow re NYS Transfer Tax currently being held by Cullen and Dykman to transfer to GEABP	1.00	775.00	23
05/05/2023	SRH	Revised Escrow AGreement re transfer tax escrow and circulated to Cullen and Dykman	1.00	775.00	22
05/08/2023	SRH	Revised M&T and Key Bank documents (0.5); reviewed M&T Swap documents (0.3); T/C with Bankruptcy Counsel (0.2); revised Escrow Agreement (0.2)	1.20	930.00	21
05/16/2023	SRH	Follow up regarding the execution of the Amended Escrow Agreement transferring the escrow from Cullen & Dykman to Golenbock	0.20	155.00	24
	SRH	emails with Cullen and Dykman and revised escrow agreement re transfer taxes	0.30	232.50	25
05/17/2023	SRH	Compiled revised loan modification documents for M&T Bank and circulated to various attorneys	0.70	542.50	26
05/24/2023	SRH	finalized amended escrow agreement re transfer tax escrow and transfer from Cullen & Dykman to GEABP Steven R Hochberg	0.80	620.00	27
			5.20	4,030.00	
		For Current Services Rendered		7.90	4,907.50

Recapitulation

Timekeeper	Hours	Hourly Rate	Total
Rose Ngoma	2.70	\$325.00	\$877.50
Steven R Hochberg	5.20	775.00	4,030.00

Total Current Work	4,907.50
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Balance Due	<u>\$4,907.50</u>
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Billing History				
Fees	Expenses	Finance Charge	Payments	
4,907.50	0.00	0.00	0.00	

Represent Trustee of Joseph Klaynberg

Page: 2

06/15/2023

Account No: 4423-002M

Statement No: 1

Asset Sales

Please refer to account number when making payment.

Represent Trustee of Joseph Klaynberg

Page: 1

06/15/2023

Account No: 4423-003M

Statement No: 1

Case Administration

Draft Statement

05/31/2023	MSW	Call with trustee regarding multiple open issues. Michael S. Weinstein	0.50	277.50	119
			0.50	277.50	

05/08/2023	HM	Update files with recent filings	0.10	24.50	121
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05/10/2023	HM	Redact bank account account numbers, finalize and electronically file April Monthly Operating Report Heather Maxwell	0.40	98.00	120
			0.50	122.50	

For Current Services Rendered	1.00	400.00
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Recapitulation

<u>Timekeeper</u>	<u>Hours</u>	<u>Hourly Rate</u>	<u>Total</u>
Michael S. Weinstein	0.50	\$555.00	\$277.50
Heather Maxwell	0.50	245.00	122.50

Total Current Work	400.00
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Balance Due	<u>\$400.00</u>
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Billing History				
<u>Fees</u>	<u>Expenses</u>	<u>Finance Charge</u>	<u>Payments</u>	
400.00	0.00	0.00	0.00	

Employment and Fee Applications

Draft Statement

05/02/2023	M S	Review and revise Traxi retention application (0.5); Emails to/from J. Flaxer re: same (0.2); Email to T. Tiantian re: same (0.4); Revise Traxi retention application with UST comments (0.5)	1.60	888.00	83
05/03/2023	M S	Emails to/from A. Pacchia re: UST comments to Traxi retention application (0.2); Emails to/from T. Tiantian re: same (0.2)	0.40	222.00	84
05/04/2023	M S	Review and finalize Traxi retention application (0.4); Emails to/from J. Flaxer re: same (0.2); Emails to/from E. Jengo Quirk re: filing (0.2)	0.80	444.00	85
05/15/2023	M S	Review file and time records re: April 2023 fee statement (0.8); Draft April 2023 fee statement (0.8); Emails to/from A. Pacchia re: status of Traxi retention application (0.3)	1.90	1,054.50	86
05/18/2023	M S	Finalize April 2023 GEABP fee statement (1.2); Emails to M. Weinstein re: same (0.2)	1.40	777.00	87
05/19/2023	M S	Email to all notice parties re: GEABP April 2023 fee statement	0.30	166.50	88
05/22/2023	M S	Emails to/from M. Weinstein re: accountant fees and fee statements (0.2); Review docket re: same (0.2)	0.40	222.00	89
05/25/2023	M S	Email to chambers re: Traxi retention application (0.2); Review docket re: same (0.2)	0.40	222.00	90
05/31/2023	M S	Emails to/from A. Pacchia re: status of Traxi retention order (0.2); Review docket re: same (0.1) Moshie Solomon	0.30 7.50	166.50 4,162.50	91
05/19/2023	MSW	Review and comment on monthly fee statement, oversee filing of same. Michael S. Weinstein	0.20 0.20	111.00 111.00	80
05/04/2023	HM	Conferences regarding service via mail of Traxi retention application	0.20	49.00	96
05/19/2023	HM	Finalize and electronically file 5th GEABP fee statement	0.30	73.50	95
05/22/2023	HM	Begin to download all fee applications and fee statements	0.40	98.00	81
05/23/2023	HM	Continue to update files with professionals' fee statements and fee applications	1.00	245.00	82

Represent Trustee of Joseph Klaynberg

Page: 2

06/15/2023

Account No: 4423-006M

Statement No: 1

Employment and Fee Applications

Heather Maxwell	1.90	465.50
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05/04/2023	EJG	File Notice of Presentment and Retention Application	0.60	117.00	92
	EJG	Serve Notice of Presentment and Retention Application	2.40	468.00	93
05/08/2023	EJG	Calendar Retention Application Dates	0.30	58.50	94
		Erin Jengo-Quirk	3.30	643.50	
		For Current Services Rendered	12.90	5,382.50	

Recapitulation

<u>Timekeeper</u>	<u>Hours</u>	<u>Hourly Rate</u>	<u>Total</u>
Moshie Solomon	7.50	\$555.00	\$4,162.50
Michael S. Weinstein	0.20	555.00	111.00
Heather Maxwell	1.90	245.00	465.50
Erin Jengo-Quirk	3.30	195.00	643.50

Total Current Work	5,382.50
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Balance Due	<u><u>\$5,382.50</u></u>
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Billing History

<u>Fees</u>	<u>Expenses</u>	<u>Finance Charge</u>	<u>Payments</u>
5,382.50	0.00	0.00	0.00

Plan and Disclosure Statement

Draft Statement

05/19/2023	MSW	Revise and edit plan and disclosure statement (3.0); emails with numerous parties regarding same (.8)	3.80	2,109.00	49
05/22/2023	MSW	Revise and edit DS, including liquidation analysis.	5.00	2,775.00	53
05/23/2023	MSW	Call with J. Flaxer regarding status (.3); revise and edit disclosure statement and exhibits thereto (.7).	1.00	555.00	50
05/25/2023	MSW	Revise and edit disclosure statement and liquidation analysis (.8); emails with Trustee and interested parties regarding same (.3); call with chambers re updated DS timing (.2).	1.30	721.50	51
05/26/2023	MSW	Revise and edit liquidation analysis and email with trustee regarding same.	1.00	555.00	54
05/30/2023	MSW	Call with R. Rich regarding disclosure statement (.4); revise and edit disclosure statement (2.5); multiple discussions/emails with trustee regarding same and liquidation analysis (.8); oversee filing of same (.4).	4.10	2,275.50	55
05/31/2023	MSW	Call with trustee to discuss upcoming hearing (.4); prepare for disclosure statement approval hearing (2.5). Michael S. Weinstein	2.90 <hr/> 19.10	1,609.50 <hr/> 10,600.50	52
05/08/2023	HM	Draft Notice of Adjournment of Status Conference and Motion to Approve Disclosure Statement, electronically file same	0.40	98.00	59
	HM	Update calendar with adjourned hearing date	0.10	24.50	60
05/30/2023	HM	Finalize and electronically file amended plan and disclosure statement and notice of redlines	0.90	220.50	61
05/31/2023	HM	Update files with Plan and Disclosure Statement motion to approve and email regarding same Heather Maxwell	0.20 <hr/> 1.60	49.00 <hr/> 392.00	62
		For Current Services Rendered	20.70	10,992.50	

Recapitulation

<u>Timekeeper</u>	<u>Hours</u>	<u>Hourly Rate</u>	<u>Total</u>
Michael S. Weinstein	19.10	\$555.00	\$10,600.50
Heather Maxwell	1.60	245.00	392.00

Represent Trustee of Joseph Klaynberg

Page: 2

06/15/2023

Account No: 4423-010M

Statement No: 1

Plan and Disclosure Statement

Total Current Work	10,992.50
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Balance Due	<u>\$10,992.50</u>
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Billing History				
<u>Fees</u>	<u>Expenses</u>	<u>Finance Charge</u>	<u>Payments</u>	
10,992.50	0.00	0.00	0.00	

Please refer to account number when making payment.

Investigations

Draft Statement

05/03/2023	M S	Review documents re: liquidation of Wonder Works (0.9); T/C w/ J. Flaxer re: same (0.8)	1.70	943.50	165
05/08/2023	M S	Emails to/from J. Flaxer and S. Hochberg re: M&T loan modification and personal guaranty (0.5); Review documents re: same (0.5) Moshie Solomon	1.00 2.70	555.00 1,498.50	166
05/11/2023	MSW	Introductory call with Traxi re: investigation.	0.30	166.50	161
05/25/2023	MSW	Preliminary call with Traxi and others re state of investigation.	0.60	333.00	162
05/31/2023	MSW	Call with Traxi, Trustee and I. Dogani re forensic examination and next steps. Michael S. Weinstein	1.50 2.40	832.50 1,332.00	163
05/03/2023	HM	Prepare link of Traxi documents and circulate same	0.30	73.50	191
05/04/2023	HM	Upload Roy Rykner docs to Ipro	0.20	49.00	192
05/05/2023	HM	Continue to upload Roy Rykner docs to Ipro for review Heather Maxwell	0.30 0.80	73.50 196.00	193
05/01/2023	IDI	Review and analyze emails and documents produced by CPAs in iPro	3.80	1,748.00	167
05/03/2023	IDI	Analyze and select organizational and financial documents of entities to provide to forensic accountants for review.	5.30	2,438.00	171
05/04/2023	IDI	Review and analyze emails and documents produced by Lehman Flynn in iPro	5.10	2,346.00	168
	IDI	Weekly meeting with forensic accountants to discuss facts of case and objectives of review	1.00	460.00	170
05/05/2023	IDI	Review and analyze emails and documents produced by Lehman Flynn in iPro	7.60	3,496.00	169
05/08/2023	IDI	Review and prepare correspondence with Nahla counsel re. payments from WW1834	0.80	368.00	172
	IDI	Analyze subpoena documents for WW Eastern to determine investment in Huxley unit	1.50	690.00	173
	IDI	Analyze and review documents re. loans to new entities created by Daniel	3.70	1,702.00	174
05/09/2023	IDI	Review and analyze equity interest and entity			

Investigations

		ownership documents and memo prepared by Keen-Summit	2.40	1,104.00	175
IDI	Meeting with Keen-Summit to discuss analysis of equity interests		0.30	138.00	176
IDI	Draft memo to J. Flaxner, M. Devorkin, and Traxi team re. 2021 financial analysis received in production, and fact findings re. payments to insiders		3.10	1,426.00	177
05/10/2023	IDI	Review and analyze subpoenaed documents in iPro for fact development	4.80	2,208.00	178
05/15/2023	IDI	Review and analyze subpoena production documents re. Girona buyout in iPro	4.50	2,070.00	179
05/16/2023	IDI	Zoom meeting with Traxi team re. documents and Traxi analysis	1.00	460.00	180
	IDI	Review CPA email production documents concerning Girona buyout and transfer of Girona interest to Daniel	7.40	3,404.00	181
05/17/2023	IDI	Fact research to determine source of funding of the Girona deal that transferred Girona interest to Daniel to assess possible claw-back	5.30	2,438.00	182
05/19/2023	IDI	Correspondence with Nahla counsel re. emails concerning transfer of Spectra interests	0.80	368.00	183
	IDI	Review of CPA documents in iPro for facts re. Spectra 101 and 111 transfers to KFG	6.50	2,990.00	184
05/22/2023	IDI	Review of subpoenaed documents in iPro for fact development re. improper transfers of funds between related entities	4.50	2,070.00	185
05/23/2023	IDI	Review and analysis of subpoenaed documents in iPro for fact development re. improper transfers of funds to new CT entities	5.10	2,346.00	186
05/24/2023	IDI	Document review and analysis in iPro to develop facts re. improper transfer of funds between related entities	3.30	1,518.00	187
05/25/2023	IDI	Meeting with J. Flaxner and Traxi team to discuss initial QB analysis	0.50	230.00	188
	IDI	Analyze QB data provided by Traxi re. improper transfers between related entities	3.50	1,610.00	189
05/30/2023	IDI	Analyze transfers of funds from 5CP and Spectra entities for benefit of Daniel Ina Dogani	4.80 86.60	2,208.00 39,836.00	190
		For Current Services Rendered	92.50	42,862.50	

Represent Trustee of Joseph Klaynberg

Page: 3

06/15/2023

Account No: 4423-015M

Statement No: 1

Investigations

Recapitulation

<u>Timekeeper</u>	<u>Hours</u>	<u>Hourly Rate</u>	<u>Total</u>
Moshie Solomon	2.70	\$555.00	\$1,498.50
Michael S. Weinstein	2.40	555.00	1,332.00
Heather Maxwell	0.80	245.00	196.00
Ina Dogani	86.60	460.00	39,836.00

Total Current Work	42,862.50
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Balance Due	<u>\$42,862.50</u>
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Billing History

<u>Fees</u>	<u>Expenses</u>	<u>Finance Charge</u>	<u>Payments</u>
42,862.50	0.00	0.00	0.00

Please refer to account number when making payment.